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OPEN MEETING

MEMORANDUM

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ORIGINAL

RECEIVED

DEC 28 2001

TO: THE COMMISSION

FROM: Utilities Division

DATE: December 28, 2001

RE: IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., FOR A COMPLETE WAIVER OF PUBLIC UTILITY HOLDING COMPANIES AND AFFILIATED INTERESTS RULES (A.A.C. R14-2-801, *et seq.*) AND RELATED RELIEF (DOCKET NO. W-01303A-01-0983)

On December 17, 2001, Arizona-American Water Company, Inc., filed an application for a complete waiver of the Arizona Corporation Commission's ("Commission") public utility holding companies and affiliated interests rules, A.A.C. R14-2-801, *et seq.* ("Rules").

These Rules regulate the formation of public utility holding companies and certain transactions and activities between public service corporations and their affiliated interests.

The Rules provide that the Commission has thirty (30) days to "approve, disapprove, or suspend for further consideration" an application seeking a waiver of the Rules. A.A.C. R14-2-806.

Staff has not completed its evaluation of the requested waiver and, therefore, recommends that the filing be suspended for a period of one hundred twenty (120) days.

Ernest G. Johnson  
Director  
Utilities Division

EGJ:DWC:jbc/CCK

ORIGINATOR: Darron W. Carlson

Arizona Corporation Commission

DOCKETED

DEC 28 2001

DOCKETED BY	
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1                                   **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 WILLIAM A. MUNDELL  
Chairman

3 JIM IRVIN  
Commissioner

4 MARC SPITZER  
Commissioner

5  
6 IN THE MATTER OF THE APPLICATION OF )  
ARIZONA-AMERICAN WATER COMPANY, )  
7 INC., FOR A COMPLETE WAIVER OF PUBLIC )  
UTILITY HOLDING COMPANIES AND )  
8 AFFILIATED INTERESTS RULES (A.A.C. )  
R14-2-801. *et seq.*) AND RELATED RELIEF )

DOCKET NO. W-01303A-01-0983

DECISION NO. \_\_\_\_\_

ORDER

9  
10 Open Meeting  
January 8 and 9, 2002  
11 Phoenix, Arizona

12 BY THE COMMISSION:

13                                   FINDINGS OF FACT

14           1.       On December 17, 2001, Arizona-American Water Company, Inc. ("AAWC" or  
15 "Company") filed an application for a complete waiver of the Arizona Corporation Commission's  
16 ("Commission") public utility holding companies and affiliated interests rules, A.A.C. R14-2-801, *et*  
17 *seq.* ("Rules").

18           2.       These Rules regulate the formation of public utility holding companies and certain  
19 transactions and activities between public service corporations and their affiliated interests.

20           3.       The Rules provide that the Commission has thirty (30) days to "approve, disapprove,  
21 or suspend for further consideration" an application seeking a waiver of the Rules. A.A.C. R14-2-806.

22           4.       Staff has not had adequate time to review the application and therefore recommends  
23 that the filing be suspended for a period of one hundred twenty (120) days.

24                                   CONCLUSIONS OF LAW

25           1.       AAWC is an Arizona public service corporation within the meaning of Article XV,  
26 Section 2 of the Arizona Constitution.

27           2.       The Commission has jurisdiction over AAWC and over the subject matter of the  
28 application.

## ORDER

IT IS FURTHER ORDERED that this Decision shall become effective immediately

**BY ORDER OF THE ARIZONA CORPORATION COMMISSION**

COMMISSIONER

BRIAN C. McNEIL  
Executive Secretary

EGJ:DWC:jbc/CCK

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2 DOCKET NO. W-01303A-01-0983

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